

**SPECIAL MEETING OF THE BELLA VISTA CITY COUNCIL – SEPT. 20, 2016 – MINUTES.**

Meeting was called to order by Mayor Peter Christie at 3:30PM

City Clerk Jertson called the roll: Alderman Morgan, Flynn, Wozniak, Anderson & Wilson were all in attendance.

The following Resolution was read by the Mayor;

**R2016-37- RESOLUTION-** AUTHORIZING THE MAYOR TO EXECUTE A LETTER OF INTENT TO PURCHASE PARTS OF THE SERVICE AREA AND ASSETS OF THE FORMER BENTON COUNTY WATER AUTHORITY NO. 1 FROM THE CITY OF CENTERTON (CENTERTON WATER AND SEWER DEPARTMENT) FOR PURPOSES OF CREATING A CITY OF BELLA VISTA WATER UTILITY.

Centerton has decided that they would be interested in selling a portion of their distribution system. At this point the Mayor explained the reasons for Bella Vista to move on this opportunity to establish a Water Department for the City. Many reasons were given, especially the ability to have more control of the growth on the west side of the city. A review of the various water systems that are operating in the City of Bella Vista.

A map of the area that is served as well as the area of future growth that would be served by this system was shown to the council. The size of the water line in various areas would very likely need to be enlarged to serve future growth. If the city owns this system it would have a lot more options to deal with the potential growth.

The Mayor is asking the permission of the Council to pursue this course of action. It does not obligate the city to purchase. There are many unknowns at this point such as the value of the system that would have to be determined before the purchase could take place. The Mayor then opened up the floor for questions and comments.

Alderman Anderson then spoke to the need to have a water systems in the city. There are several areas in the city that are not served with potable water at this time. Larry Wilms P.E. has been involved in this process and commented on the process of having a water system approved. Several additional questions were asked and some of the steps that need to happen were explained.

A motion was made by Alderman Anderson to approve this Resolution, seconded by Alderman Wozniak. Roll Call Vote was taken: Alderman Morgan, Flynn, Wozniak & Anderson voted Aye. Alderman Wilson voted Nay. Motion carried 4 – 1.

Meeting was adjourned at 3:45PM.

Following is the letter that will be sent to indicate the intention to pursue this action.

September 20, 2016

Frank Holzkamper, Utilities Director  
Centerton Water & Sewer Department  
500 Keller Rd

P.O.Box 366  
Centerton, AR 72719-0366

RE: Letter of Intent to Purchase portions of BC-RWD #1  
and Long Term Supply Agreement

Dear Mr. Holzkamper:

This letter will serve to indicate our desire to purchase portions of your "rural water system" that extends North from Hwy AR-279 and East from proposed I-49, and along Hwy AR-279 from the water main connections at Hwy AR-72 North to and into the City of Bella Vista. We understand that these portions of your water system have an outstanding USDA Loan obligation and that the USDA will need to establish the value of the system components proposed to be purchased. We understand that multiple bulk metering locations will be required.

We would like to move forward as soon as possible with this acquisition. We are concurrently preparing the required documentation to establish a Public Water System for the City with the Arkansas Department of Health. Based upon verbal communication with the ADH, they have indicated that we may proceed in this manner.

In addition, we are desirous of entering into a long term (20 yrs) agreement with 5-yr automatic renewable feature with Centerton Water & Sewer Department to assure the City of an uninterrupted supply of water for the purchased portions of your system. We would like to discuss prospective terms of such an agreement once information becomes available on the valuation of the system being contemplated for purchase.

Please confirm your willingness for the sale of the indicated portion of your rural water system, as indicated above, subject to obtaining necessary controlling Agency approvals.

Should you have any questions, please contact me at (479) 876-1255 or by email at [pchristie@bellavistaar.gov](mailto:pchristie@bellavistaar.gov)

Sincerely,

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Peter Christie, Mayor

Cc: Alderman Frank Anderson  
Larry Wilms, P.E.

City Clerk Wayne Jertson

Mayor Peter A Christie